Nova Scotia

NOVA SCOTIA
HOUSE OF ASSEMBLY
APRIL 18, 1986

BUDGET ADDRESS

PROVINCE OF NOVA SCOTIA
1986-87

HONOURABLE GREG KERR
MINISTER OF FINANCE

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BUDGET ADDRESS

Province of Nova Scotia

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Minister of Finance

INTRODUCTION

It is my privilege to present to the members of this Legislature and to the people of Nova Scotia the 1986-87 budget for the province.

Developing the fiscal plan I am about to set before you was a challenging task.

On the one hand, the government had to respond to the continuing demand of Nova Scotians for high quality public services and programs. On the other hand, the government has been faced with the ever-increasing pressure on the deficit and all the ensuing problems that entails.

Even with this latter consideration in mind, the government is maintaining its commitment to the essential services and programs so important to the well being, peace of mind and personal development of all our citizens. It is a commitment, I am sure, that is shared by all members of this Legislative Assembly.

Essential services remain top priority

I would be remiss in my duty if I did not remind Nova Scotians that this commitment is very expensive.

People continue to demand new and expanded services.

It is important to realize, however, that the government is the instrument used to deliver these programs and services but it is ultimately the taxpayer who pays for them.

Government has the responsibility to tailor its programs to meet the needs and requirements of its people and ensure that its programs are delivered in an efficient and cost effective manner.

I am pleased to say that this government has faced and met its responsibilities to the people of Nova Scotia.

This government will stand by the principles of protection in health, of personal development through education and of social safeguards for all Nova Scotians.

As a sensitive government, we will honour these principles.

Now, before setting out the details of this year's budget strategy, I would like to take a few moments to highlight the positive economic trends that prevailed in Nova Scotia during the past year and that are expected to continue in the year to come.

It is this steadily improving economic environment that must provide the necessary support for the future development of our fiscal base.

ECONOMIC ENVIRONMENT

The Nova Scotia economy, for the third consecutive year, enjoyed a healthy rate of growth in its total level of economic output during 1985.

Overall, real output gains of 3.6 percent were achieved during the year, comprised of strong increases in most sectors.

Strong construction sector

By far the most notable strides made throughout the past year occurred in Nova Scotia's construction sector. Real growth of 16.1 percent was achieved in overall construction output during 1985, a rate of increase almost twice that experienced during the previous year. Housing starts alone posted a phenomenal gain of 50.6 percent over the previous year, a level far surpassing that for Canada as a whole.

Significant gains were also made in many of Nova Scotia's primary resource sectors, the most notable of which occurred in the forestry and fishing industries.

Forest Policy initiatives

Output in the forestry sector increased by 7.0 percent in 1985, employing thousands of Nova Scotians. Measures to ensure that the future prospects of this important industry remain bright have been addressed in the recently released Forest Policy paper and through the implementation of the Forest Renewal Agreement with the federal government. These initiatives will provide for:

- the improved productivity and management of Nova Scotia's woodlands,
- an aggressive new marketing program for the province's forestry products, and
- the creation of new jobs for Nova Scotians within this sector.

The fishing sector rebounded significantly in 1985, posting a healthy 8 percent growth in output. A total value of fish and shellfish landings in 1985 increased by an impressive 22 percent over the previous year.

Agriculture is a fundamental part of the economic foundation of this province and this government recognizes its contribution to our economy. Figures recently released by Agriculture Canada report that our province was the only one in Canada to show an improvement in realized net farm income in 1985 as compared to 1984.

The wholesale and retail trade sectors recorded their third consecutive year of strong growth. The total value of Nova Scotia exports grew by a further 10.5 percent in 1985, an excellent performance following the exceptional rate of growth demonstrated in the preceding year.

Personal incomes of Nova Scotians gathered strength in the past year as well, with a growth of 7 percent over 1984 levels. Further increases in personal income are again expected for Nova Scotians in 1986.

Sound economy in 1986

Nova Scotia can look forward to a continuation of this sound economic performance throughout 1986. Real gains in the province's gross domestic product are expected to reach 3.3 percent. Employment levels will increase by an estimated 1.5 percent over 1985. Despite an increasing labour force, the unemployment rate is expected to show a modest decline.

Construction is once again expected to be the leading growth sector in the Nova Scotia economy. In 1986, activity is expected to remain strong, providing the impetus for a real increase of 9 percent in overall construction output for the year.

Real gains are also forecast for all primary industries and service sectors throughout Nova Scotia in 1986.

A strengthening and diverse economic base will offer more opportunities for Nova Scotians in the coming years and will have a positive impact on the unemployment situation.

FISCAL SITUATION 1985-86

The cornerstone of the government's fiscal policy over the past few years has been our determination to provide and maintain high quality essential services for our citizens without the imposition of excessively high levels of taxation. We have chosen to support these services while recognizing the implications of deficit financing. There is always the problem of balancing the needs and demands of our citizens against the limitations of the financial resources of our province.

Direct job creation

Early in 1985-86, it became evident that the unemployment problem in the province was causing increasing concern. We took immediate action to ease this situation by devoting substantial additional funds towards direct job creation programs over and above what had originally been planned for last year. This responsive action resulted in the creation of a further 5,300 jobs throughout all regions of the province.

Increased health costs forced the government to expend additional funds during the fiscal year. We chose to do this rather than suddenly reduce the quality or level of care our citizens have come to expect.

There was a cost to honour such commitments. For the fiscal year ending March 31, 1986, the deficit of the province is now expected to total $245.3 million.

In order to reduce that deficit level, it would have been necessary to cut services to our people. Such action would have been disruptive and contrary to our commitment to Nova Scotians.

If further taxes had been considered, they would have worsened the unemployment situation that we were striving so hard to alleviate.

Stable fiscal policy

Only a stable approach to the development of fiscal policy rather than disruptive changes midway through the year can provide the proper climate for planning by both investors and citizens of this province.

FISCAL FRAMEWORK 1986-87

The fiscal framework for 1986-87 has several objectives:

1. to promote employment in the province through policies that will build upon the strengths of our existing economic base and strengthen the climate in Nova Scotia for expanded levels of private investment.
2. to ensure that the broad range of necessary public services is maintained.
3. to avoid general tax increases.
4. to initiate measures that will lead to a steady but realistic decline in the deficit over time.

To achieve these objectives will be a major challenge. Interest rates remain high relative to inflation rates, and contribute to rising debt service expenditures. Costs of delivery in essential service areas continue to rise.

The government has been faced with additional expenditures totalling $2.4 million associated with the takeover of adult correctional facilities to ease the financial burden on municipalities.

We have had to incur additional costs of $7.0 million, imposed upon us by the federal government as a result of the Young Offenders Act.

As well, the government has had to absorb a reduction in the rate of growth of transfer payments from the federal government for health care and post-secondary education — two of the programs that we are striving so hard to protect.

In 1986-87 alone, the federal reduction in the rate of growth in transfer payments means that Nova Scotia will receive $11 million less than was established under the 1982 arrangements.

We will experience a significant decline in Gasoline and Diesel Fuel Tax revenues so that consumers can receive the full benefit of falling world energy prices. This commitment alone has meant a decline of $11 million in a major revenue source of the province.

In spite of these obstacles, we have managed to develop a framework that meets our objectives.

For 1986-87, the deficit is expected to be $232.9 million while total financial requirements are estimated to be $529.9 million.

I must emphasize that the deficit and financial requirements could have been $31.4 million lower had we not had to incur the revenue declines and increased expenditure commitments I have just outlined.

Furthermore, had we chosen to raise the Health Services Tax rate by 1 percent, we would have lowered the deficit by an additional $40-50 million. We chose not to do this.

TASK FORCE ON INVESTMENT AND TAXATION

This government has consistently recognized that the only way to achieve viable, long-term employment opportunities is by encouraging private investment. This was the thrust of the province's White Paper on Economic Development entitled "Building Competitiveness".

One of the major commitments of the White Paper was the formation of a Task Force charged with examining all taxes paid in Nova Scotia to determine their effect on the province's investment climate. The Task Force conducted an extensive review of the province's tax system throughout 1984 and 1985. They received submissions from a wide range of businesses, individuals and organizations throughout the province, and commissioned detailed studies on the more complicated issues of major concern to them.

They have completed their extensive study and submitted their final report to me earlier this month. I am pleased to say that the government plans to act immediately upon a number of recommendations of the Task Force.

INVESTMENT INCENTIVE

During the recent recession, many businesses failed because of a lack of equity to weather this very difficult time. Often, new businesses suffer in their initial years due to a deficiency in shareholders' equity. As well, existing businesses often cannot provide the necessary revitalization of equipment or plant expansion because of inadequate financing.

Stock Savings Plan

In order to overcome this shortage of capital for Nova Scotia companies, the Task Force has recommended the creation of a Nova Scotia Stock Savings Plan which would provide a tax credit to individuals purchasing shares in Nova Scotia companies, both private and public.

I am pleased to announce that the government has accepted the concept of such a plan and will be forming an implementation group comprised of officials from government and the private sector to design this investment vehicle. The target date

for the implementation of this plan is the 1987 taxation year, subject to the approval of the federal government which would administer the plan under the terms of the Tax Collection Agreement.

This plan will encourage Nova Scotians to invest in Nova Scotia.

TAX HOLIDAY FOR NEW SMALL BUSINESSES

Small business has been recognized as one of the major creators of new employment opportunities. The Task Force received many submissions requesting support for this sector through the corporate income tax system. It was a recommendation of the Task Force that the most significant corporate income tax assistance to economic growth in Nova Scotia would be to provide an income tax holiday for new small businesses.

As a government, we agree with this recommendation and today I am pleased to announce a provincial corporate income tax holiday for the first two taxation years of newly incorporated small businesses. This measure applies to companies incorporated after April 18, 1986 and not simply new corporations created by virtue of a name change or a change in ownership.

Small business Corporate Income Tax holiday

MUNICIPAL TAXATION

Municipal taxation was the most frequent topic presented to the Task Force by various businesses and organizations. This level of taxation has a significant impact on businesses being attracted to our province and on businesses currently in place.

The Task Force has made several recommendations on municipal taxation. These recommendations are significant and can only be implemented by a joint provincial-municipal effort. We are prepared to commence a consultative process with the municipalities on these matters through the Provincial-Municipal Fact Finding Committee.

REVIEW OF BUSINESS ASSISTANCE PROGRAMS

Government provides many assistance programs to business. There is a tendency for government programs to be perpetuated past their period of usefulness. This point was recognized by the Task Force during their deliberations.

As a result, the Task Force has recommended that a process be established whereby each government business assistance program is reviewed at least every five years to determine if the program has met its objective and if the program will be required over the next five years. This recommendation has merit and is one that we will be considering in a general review of all government programs.

In fact, we have already taken a significant step to improve efficiency in providing assistance to business by the introduction of an Act to create the Nova Scotia Business Capital Corporation, which will consolidate a number of existing loan agencies.

Consolidation of loan agencies

In summary, such measures should ensure that Nova Scotia remains one of the most attractive places to invest in this country. We remain firmly committed to the creation of a stable and predictable policy environment so essential for long-term investment planning. Investors can rest assured that this government will continue to recognize the importance of private investment to the long-term expansion of our economic base and, ultimately, more jobs for Nova Scotians.

The Task Force has made one recommendation with respect to the introduction of a new tax in Nova Scotia. I will expand upon this recommendation in more detail later.

ESSENTIAL SERVICE EXPENDITURES

The province's health, education and social service systems will continue to deliver high quality services to the people of Nova Scotia. Once again, more than 60 percent of the government's total operating expenditures will be committed to these three areas, amounting to $1.9 billion in 1986-87.

These expenditures represent a full range of services that the government provides for Nova Scotians.

In the health care field the services covered include:

- $503.2 million for general hospital services,
- $177.1 million for physicians' medical services,
- $44.9 million for pharmacare for seniors,
- $42.6 million for psychiatric services, and
- $11.5 million for the children's dental program.

In education, expenditures include:

- $503.4 million in education grants to school boards and municipalities for elementary and secondary education,
- $176.6 million in assistance to universities,
- $51.3 million for training programs,
- $10.0 million for student aid bursaries, and
- $7.4 million toward costs of students attending special education institutions.

Social services provided for in this budget include:

- $126.1 million for family benefits,
- $88.1 million in assistance for municipal social services,
- $24.2 million for family and children's services,
- $15.2 million in assistance to senior citizens, and
- $13.4 million for rehabilitation and community services.

Spending in these areas amounts to $2,142 for every Nova Scotian.

Not only do these expenditures provide vital services for Nova Scotians but, equally important, they provide directly and indirectly thousands of jobs in the education, social service and health fields. For example:

- 11,000 teachers
- 5,000 nurses
- 1,500 doctors
- and in excess of 30,000 other professionals and support staff associated with these fields and the institutions they serve.

Meeting needs of Nova Scotians

These programs represent the foundation of the government's expenditure program. They also provide security for Nova Scotians without the threat of overwhelming medical bills and burdensome family education costs. Furthermore, they ensure that the social needs of our citizens are met.

These services are highly utilized by Nova Scotians each year.

For instance, nearly 88 percent of Nova Scotians entitled to provincially insured physician services used the system last year. In the pharmacare program alone, more than 90 percent of senior citizens entitled to use the program, do so.

Our on-going commitment to the delivery of these important services is evidenced

by the recent announcement of major hospital and school construction programs.

This will ensure that the health and education needs of many areas of the province are improved.

The construction plans put in place will:

- maximize the Nova Scotia content of supplies and services for these projects and thereby stimulate local businesses.
- create and maintain thousands of jobs for the Nova Scotia construction industry and related support services.
- stabilize long-term maintenance and operating costs of these facilities.

HOUSING INITIATIVES

Sensitive to housing needs

The government is also sensitive to the demands of Nova Scotians for adequate and affordable housing. It also recognizes the importance of expanded housing activity to create employment in the construction and related sectors.

Some of the major activities that will be supported by the Department of Housing and the Nova Scotia Housing Development Corporation during 1986-87 include:

- construction starts on approximately 1,500 units of social housing which will provide accommodation for our senior citizens, students, disabled persons, low income families and single parents.
- provision of approximately 3,000 housing grants and low interest loans for seniors and physically disabled Nova Scotians.
- servicing of approximately 500 additional residential lots in Halifax Metro area to meet the continuing strong demand for lots by builders and individuals.
- continuation of our commitment to subsidization of approximately 10,000 previously constructed public housing units and 1,300 previously constructed rural and native housing units throughout the province.
- continued provision of a wide variety of mortgage programs and housing development services throughout the province.

The government's strong commitment to this important sector of our provincial economy ensures that adequate and affordable housing is available to Nova Scotians. It will continue to mean thousands of jobs throughout the province.

REVENUE MEASURES

Effective June 1, 1986, the government will introduce a Corporation Capital Tax on chartered banks and trust and loan companies operating in the province. A rate of 1.5 percent will be applied to the paid-up capital of these institutions. I should point out that this is consistent with one of the recommendations of the Task Force on Investment and Taxation and is similar to the practices in most other provinces.

As well, effective midnight tonight, the tax rate on cigarettes will be increased by 1.1 cents per cigarette. This will mean that Nova Scotia's tax rate on cigarettes will still be below that of a number of other provinces.

However:

- There will be no increase in the Individual Income Tax rate.
- There will be no increase in the Corporate Income Tax rates.
- There will be no increase in the Health Services Tax rate.

Lower motive fuel taxes

I would like to point out again that Nova Scotians will realize significant savings in fuel costs as a result of the province's commitment to reduce its Gasoline and Diesel Fuel Taxes in accordance with falling oil prices. This $11 million reduction in a major revenue source of the province will represent a tremendous financial benefit to Nova Scotia families and businesses.

GASOLINE AND DIESEL FUEL TAXES
$ Millions

1985-86	126.5
1986-87	115.5
Total Reduction	11.0

Furthermore, I would like to emphasize that home heating fuel remains exempt from any form of provincial taxation. We recognize the necessity and importance of this item to households across the province.

GOVERNMENT RESTRAINT

The government has exercised severe restraint when preparing this year's budget, and the results of our measures have been significant. If expenditures had been allowed to increase in 1986-87 based on historical trends, the deficit would have been $378.9 million. As a matter of fact, at the beginning of the budget process, original departmental requests would have resulted in an even higher deficit level. As a result of this intensive and ongoing process, the deficit will total $232.9 million. This has resulted in a 1986-87 deficit that is $146.0 million lower than it might otherwise have been.

GOVERNMENT RESTRAINT 1986-87
$ Millions

	Without Restraint & Revenue Measures	With Restraint & Revenue Measures	Savings
Expenditures	3,252.3	3,133.8	118.5
Revenues	2,873.4	2,900.9	27.5
Deficit	378.9	232.9	146.0

PROGRAM REVIEW

This government has already confirmed its commitment to services, and we will continue to offer programs that respond to the economic circumstances and needs of the people.

However, restraining and controlling the growth of government expenditures must be a primary goal.

We cannot continue to fund services that no longer meet their original objectives, satisfy their clientele or overlap the services of other levels of government.

Rather, we must concentrate on finding ways to meet existing needs and demands, and effectively reallocate scarce fiscal resources.

Only then will we be able to make significant strides towards reducing the deficit.

Improved efficiency in public services

For these reasons, the government plans to accelerate the review of general government operations in this province. This process will clearly identify redundant and outdated programs. It will also ensure that the remaining programs and services provided by the government are delivered in the most efficient and cost effective manner possible.

The results of this review will mean changes in the traditional budget process.

Presently, problems arise from the fact that once the normal budgetary cycle begins in the Fall, there is often insufficient time to comprehensively analyze funded programs. Because of these constraints the implementation of major changes in the next year's budget is made more difficult.

As well, many agencies that deliver the wide range of government services have indicated that they need to know the government's priorities over a longer period of time so that they can plan their programs more efficiently and effectively.

Next year's budget process will begin immediately. This will ensure that the departments, agencies, commissions and boards will have ample time to respond to government priorities in relation to our fiscal resources.

By formally expanding our budget planning horizon, we will be better able to establish realistic targets for reducing the deficit and provide for more co-ordinated long-term planning.

A new multi-year fiscal planning process is the ultimate goal.

CONCLUSION

In conclusion, this budget represents a balanced and sensitive approach to the very difficult challenges that face the government today.

It upholds our commitment to provide high quality public services for our citizens.

It fosters job creation and economic growth by taking immediate action on many of the recommendations of the Task Force on Investment and Taxation.

- It does not increase the Individual Income Tax rate.
- It does not increase Corporate Income Tax rates.
- It does not increase the Health Services Tax rate.

The government will carefully assess the demand for services and, within existing resources, we will continue to meet the needs of people.

This will require that all of us, both within government and the general public, accept the fact that many programs may have outlived their usefulness and that new and innovative ways must be found to deliver services more effectively.

As we face the challenges outlined in this budget, I want to assure Nova Scotians that we will protect the way of life we have worked so hard to attain in this province.

FINANCIAL AND SUPPLEMENTARY INFORMATION

TO THE BUDGET ADDRESS 1986-87

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ESTIMATES 1986-87 SUMMARY

BUDGETARY REQUIREMENTS – SUMMARY

Schedule 1

ACTUAL 1984-85	FORECAST 1985-86		ESTIMATE 1986-87
		CURRENT ACCOUNT	
2,789,831,563	2,984,866,900	Ordinary Expenditures	3,133,821,000
196,736,244	212,693,400	Ordinary Recoveries	239,229,200
2,593,095,319	2,772,173,500	Net Ordinary Expenditures	2,894,591,800
2,352,814,233	2,509,435,500	Ordinary Revenues	2,661,630,400
240,281,086	262,738,000		232,961,400
20,122,845	17,400,000	Prior Years' Adjustments – Federal-Provincial Fiscal Arrangements	—
220,158,241	245,338,000	Excess of Current Operating Expenditures Over Revenues and Recoveries	232,961,400
65,065,146	77,160,000	Sinking Fund Installments and Serial Retirements	87,217,000
		CAPITAL ACCOUNT	
269,253,142	230,429,900	Expenditure Program	270,257,300
44,844,665	31,416,700	Recoveries	61,526,900
224,408,477	199,013,200	Net Capital Expenditures	208,730,400
33,486	37,500	Advance under the Appropriations Act	41,300
224,441,963	199,050,700		208,771,700
509,665,350	521,548,700	Net Budgetary Requirements	528,950,100
(12,157,166)	(5,141,200)	Net Increase (Decrease) in Advances and Investments	1,019,000
497,508,184	**516,407,500**		**529,969,100**

ORDINARY REVENUES – SUMMARY

Schedule 2

ACTUAL 1984-85	FORECAST 1985-86	DEPARTMENT	ESTIMATE 1986-87
		ORDINARY REVENUES	
852,824	852,200	Agriculture and Marketing	865,200
22,707,662	27,523,000	Attorney General	15,345,000
4,878,679	5,337,800	Consumer Affairs	21,460,400
9,513	6,000	Culture, Recreation and Fitness	6,000
44,698	36,200	Development	36,000
3,029,359	3,158,100	Education	1,790,300
868,109	875,200	Environment	786,200
2,267,938,427	2,418,900,000	Finance	2,557,687,000
82,272	81,300	Fisheries	133,000
1,109,159	1,275,000	Government Services	1,300,000
1,113,243	922,000	Health	1,010,000
43,216	30,500	Housing	30,500
—	—	Human Resources Development and Training	1,742,800
263,093	326,800	Labour	738,500
6,263,760	5,598,700	Lands and Forests	6,202,700
2,126,164	2,256,900	Mines and Energy	3,843,000
713,664	34,100	Municipal Affairs	28,100
1,945,909	1,957,100	Public Service	2,013,000
66,711	64,600	Social Services	67,200
4,498,789	5,049,900	Tourism	5,846,500
34,258,982	35,150,100	Transportation	40,699,000
2,352,814,233	**2,509,435,500**		**2,661,630,400**
		ORDINARY RECOVERIES	
325,521	362,800	Agriculture and Marketing	382,500
21,953,307	24,753,400	Attorney General	38,803,300
3,312,818	5,828,400	Development	9,589,000
5,700,621	5,778,300	Education	4,562,800
6,781,872	7,655,000	Assistance to Universities	8,150,000
130,601	175,400	Environment	92,800
3,495,073	195,700	Finance	48,000
1,036,613	96,000	Fisheries	98,000
22,689,670	25,248,400	Health	23,864,900
832,755	899,200	Housing	1,413,100
—	—	Human Resources Development and Training	19,223,000
21,750,321	19,820,000	Labour	750,000
35,734	255,000	Lands and Forests	257,600
2,328,548	2,762,500	Mines and Energy	5,104,700
68,635	1,261,300	Municipal Affairs	1,313,800
300,193	418,500	Public Service	420,500
105,819,947	117,109,500	Social Services	125,081,900
174,015	74,000	Tourism	73,300
196,736,244	**212,693,400**		**239,229,200**

ORDINARY EXPENDITURES – SUMMARY

Schedule 3

ACTUAL 1984-85	FORECAST 1985-86	DEPARTMENT AND SERVICE	ESTIMATE 1986-87
32,143,496	35,731,100	Agriculture and Marketing	34,917,300
43,712,644	51,222,700	Attorney General	67,825,400
3,214,315	3,399,900	Consumer Affairs	3,676,000
10,179,024	13,964,600	Culture, Recreation and Fitness	11,730,000
68,520,113	78,609,300	Development	82,333,400
557,398,734	586,152,900	Education	575,821,100
163,272,082	154,451,800	Assistance to Universities	176,550,000
7,033,181	7,167,200	Environment	6,850,800
43,729,102	44,440,500	Finance	46,905,900
451,959,116	511,311,400	Debt Charges	564,978,600
11,496,630	8,810,100	Fisheries	9,552,200
27,849,166	31,721,000	Government Services	36,303,200
753,404,350	818,685,100	Health	839,564,300
18,676,677	18,999,200	Housing	24,345,100
–	–	Human Resources Development and Training	57,606,000
26,544,882	29,520,500	Labour	6,120,000
26,752,842	28,388,300	Lands and Forests	29,088,600
8,570,276	8,930,000	Mines and Energy	12,585,300
67,316,458	68,179,000	Municipal Affairs	67,935,100
81,193,648	79,314,400	Public Service	66,112,000
262,215,857	277,714,300	Social Services	292,523,100
13,679,826	14,093,600	Tourism	13,364,700
110,969,144	114,060,000	Transportation	107,132,900
2,789,831,563	**2,984,866,900**		**3,133,821,000**

CAPITAL EXPENDITURES AND RECOVERIES – SUMMARY

Schedule 4

Estimate of Expenditure and Recovery of the Province of Nova Scotia
Chargeable to Capital Account for the fiscal year ending March 31, 1987

ACTUAL 1984-85	FORECAST 1985-86	DEPARTMENT	ANTICIPATED CARRY FORWARD AVAILABLE FROM 1985-86	ESTIMATE 1986-87	TOTAL PROGRAM 1986-87
		CAPITAL EXPENDITURES			
		FURNITURE AND EQUIPMENT			
1,002,861	803,200	Agriculture and Marketing	–	429,400	429,400
140,282	1,186,700	Attorney General	–	85,000	85,000
–	12,000	Consumer Affairs	–	8,000	8,000
36,898	28,000	Development	–	15,000	15,000
2,408,135	1,734,300	Education	–	92,000	92,000
262,674	202,300	Environment	–	50,000	50,000
22,865	75,900	Finance	–	20,000	20,000
41,272	62,500	Fisheries	–	33,300	33,300
919,233	810,000	Government Services	–	1,440,000	1,440,000
67,147	81,400	Health	14,700	35,000	49,700
–	17,500	Housing	–	14,000	14,000
–	–	Human Resources Development and Training	–	1,177,000	1,177,000
–	20,000	Labour	30,000	25,000	55,000
338,038	444,000	Lands and Forests	175,000	335,300	510,300
189,409	124,300	Mines and Energy	–	125,000	125,000
76,208	7,500	Municipal Affairs	–	20,000	20,000
33,870	46,100	Public Service	3,000	25,800	28,800
46,362	92,000	Social Services	–	70,000	70,000
220,970	295,300	Tourism	–	272,000	272,000
21,427	117,000	Transportation	–	215,000	215,000
5,827,651	6,160,000		222,700	4,486,800	4,709,500
		OTHER			
823,750	1,200,000	Agriculture and Marketing	–	150,000	150,000
–	800,000	Attorney General	–	6,600,000	6,600,000
46,725,622	25,660,200	Development	–	46,134,000	46,134,000
25,000	8,700	Education	–	65,000	65,000
106,606	297,000	Environment	–	320,000	320,000
5,144,953	6,029,500	Lands and Forests	131,300	4,300,000	4,431,300
–	–	Municipal Affairs	–	2,000,000	2,000,000
6,100,000	2,000,000	Public Service	–	900,000	900,000
58,925,931	35,995,400		131,300	60,469,000	60,600,300
		CAPITAL GRANTS			
349,855	332,300	Attorney General	–	100,000	100,000
541,258	612,000	Development	188,000	816,600	1,004,600
6,411,162	6,966,000	Education	–	7,500,000	7,500,000
285,805	1,947,700	Assistance to Universities	–	8,930,300	8,930,300
2,238,938	1,120,000	Environment	–	1,560,000	1,560,000
19,388,653	19,132,200	Health	8,350,000	24,078,000	32,428,000
25,339,039	14,771,100	Municipal Affairs	2,827,200	16,711,300	19,538,500
6,979,000	10,535,000	Public Service	–	6,950,000	6,950,000
11,582,934	7,909,600	Transportation	–	6,125,000	6,125,000
73,116,644	63,325,900		11,365,200	72,771,200	84,136,400

ACTUAL 1984-85	FORECAST 1985-86	DEPARTMENT	ANTICIPATED CARRY FORWARD AVAILABLE FROM 1985-86	ESTIMATE 1986-87	TOTAL PROGRAM 1986-87
117,381,237	101,519,600	TRANSPORTATION	8,314,100	67,137,000	75,451,100
14,001,679	23,429,000	PUBLIC WORKS AND SPECIAL PROJECTS	7,499,000	37,861,000	45,360,000
269,253,142	**230,429,900**	**Total Capital Expenditures**	**27,532,300**	**242,725,000**	**270,257,300**
		CAPITAL ADVANCES			
33,486	37,500	Agriculture and Marketing	—	41,300	41,300
33,486	**37,500**	**Total Capital Advances**	**—**	**41,300**	**41,300**
269,286,628	**230,467,400**	**Total to be Voted Under the Appropriations Act**	**27,532,300**	**242,766,300**	**270,298,600**
		CAPITAL RECOVERIES			
		FURNITURE AND EQUIPMENT			
—	625,000	Attorney General	—	—	—
—	—	Social Services	—	50,000	50,000
—	625,000		—	50,000	50,000
		OTHER			
32,213,946	4,657,400	Development	—	25,133,000	25,133,000
6,543	—	Education	—	—	—
32,220,489	4,657,400		—	25,133,000	25,133,000
		CAPITAL GRANTS			
43,216	—	Environment	—	—	—
—	—	Municipal Affairs	—	52,800	52,800
1,745,918	1,277,400	Transportation	—	1,225,000	1,225,000
1,789,134	1,277,400		—	1,277,800	1,277,800
7,488,146	10,042,900	TRANSPORTATION	—	5,551,100	5,551,100
3,346,896	14,814,000	PUBLIC WORKS AND SPECIAL PROJECTS	6,585,000	22,930,000	29,515,000
44,844,665	**31,416,700**	**Total Capital Recoveries**	**6,585,000**	**54,941,900**	**61,526,900**

STATUTORY CAPITAL ITEMS – SUMMARY

Schedule 5

ACTUAL 1984-85	FORECAST 1985-86	CAPITAL ADVANCES AND INVESTMENTS	ESTIMATE 1986-87
		ADDITIONAL ADVANCES AND INVESTMENTS	
7,750,851	7,500,000	Fisheries Development Fund	5,000,000
14,322,326	8,905,000	Industrial Development Act	10,000,000
7,509,926	3,703,000	Industrial Estates Limited	7,000,000
2,856,164	6,032,000	Industrial Loan Act	6,000,000
–	–	Municipal Hospitals Loan Act	–
–	–	Municipal Loan and Building Fund Act	–
19,729,648	16,000,000	Nova Scotia Farm Loan Board	14,000,000
36,783,681	41,927,000	Nova Scotia Housing Commission –	38,666,600
–	–	Nova Scotia-Canada, Home Insulation Program	–
–	–	School Loan Fund Act	–
5,562,532	5,446,000	Small Business Development Fund	5,000,000
271,688	–	Tidal Power Act	–
1,261,336	1,892,000	Universities Assistance Act	5,735,000
3,030,000	2,136,000	Venture Corporations Act	2,000,000
3,078,015	20,000	Miscellaneous	–
102,156,167	**93,561,000**		**93,401,600**
		REPAYMENTS	
15,923,481	15,500,000	Fisheries Development Fund	13,000,000
3,927,527	2,945,000	Industrial Development Act	4,000,000
21,657,956	11,195,000	Industrial Estates Limited	9,125,000
4,148,717	4,426,000	Industrial Loan Act	3,000,000
248,250	246,200	Municipal Hospitals Loan Act	244,200
1,549,058	1,554,700	Municipal Loan and Building Fund Act	1,558,400
10,775,969	9,400,000	Nova Scotia Farm Loan Board	9,800,000
30,346,211	32,711,000	Nova Scotia Housing Commission –	36,341,200
5,997,079	4,200,000	Nova Scotia-Canada, Home Insulation Program	1,400,000
749,596	664,000	School Loan Fund Act	449,000
2,432,911	3,336,000	Small Business Development Fund	1,194,000
5,852,983	–	Tidal Power Act	–
1,118,727	6,842,000	Universities Assistance Act	6,117,000
–	9,000	Venture Corporations Act	–
9,584,868	5,673,300	Miscellaneous	6,153,800
114,313,333	**98,702,200**		**92,382,600**
6,750,578	**2,600,000**	CAPITAL EXPENDITURE	**900,000**

NOTE: Statutory Capital Items for which no vote is required under the Appropriations Act.

FINANCIAL STATISTICS

HISTORICAL ANALYSIS OF GROSS REVENUES

Schedule 6

FISCAL YEAR	GROSS REVENUES (millions of dollars)	ANNUAL PERCENT CHANGE	GROSS REVENUES (constant 1981 dollars)[1]	ANNUAL PERCENT CHANGE
1977-78	1,274	10.4	1,876	2.2
1978-79	1,421	11.5	1,923	2.5
1979-80	1,592	12.0	1,973	2.6
1980-81	1,763	10.7	1,983	0.5
1981-82	1,980	12.3	1,980	(0.2)
1982-83	2,175	9.8	1,963	(0.9)
1983-84	2,422	11.4	2,067	5.3
1984-85	2,615	8.0	2,138	3.4
1985-86 F	2,771	6.0	2,178	1.9
1986-87 E	2,962	6.9	2,247	3.2

1 Determined using the Consumer Price Index deflator.

F Forecast

E Estimate

NOTE: Gross Revenues include Ordinary Revenues, Ordinary and Capital Recoveries and Prior Years' Adjustments.

HISTORICAL ANALYSIS OF GROSS EXPENDITURES

Schedule 7

FISCAL YEAR	GROSS EXPENDITURES (millions of dollars)	ANNUAL PERCENT CHANGE	GROSS EXPENDITURES (constant 1981 dollars)[1]	ANNUAL PERCENT CHANGE
1977-78	1,384	10.4	2,038	2.2
1978-79	1,650	19.2	2,233	9.6
1979-80	1,793	8.7	2,222	(0.5)
1980-81	2,095	16.8	2,357	6.1
1981-82	2,523	20.4	2,523	7.0
1982-83	2,685	6.4	2,423	(4.0)
1983-84	2,855	6.3	2,436	0.5
1984-85	3,119	9.2	2,550	4.7
1985-86 F	3,290	5.5	2,586	1.4
1986-87 E	3,493	6.2	2,650	2.5

1 Determined using the Consumer Price Index deflator.

F Forecast

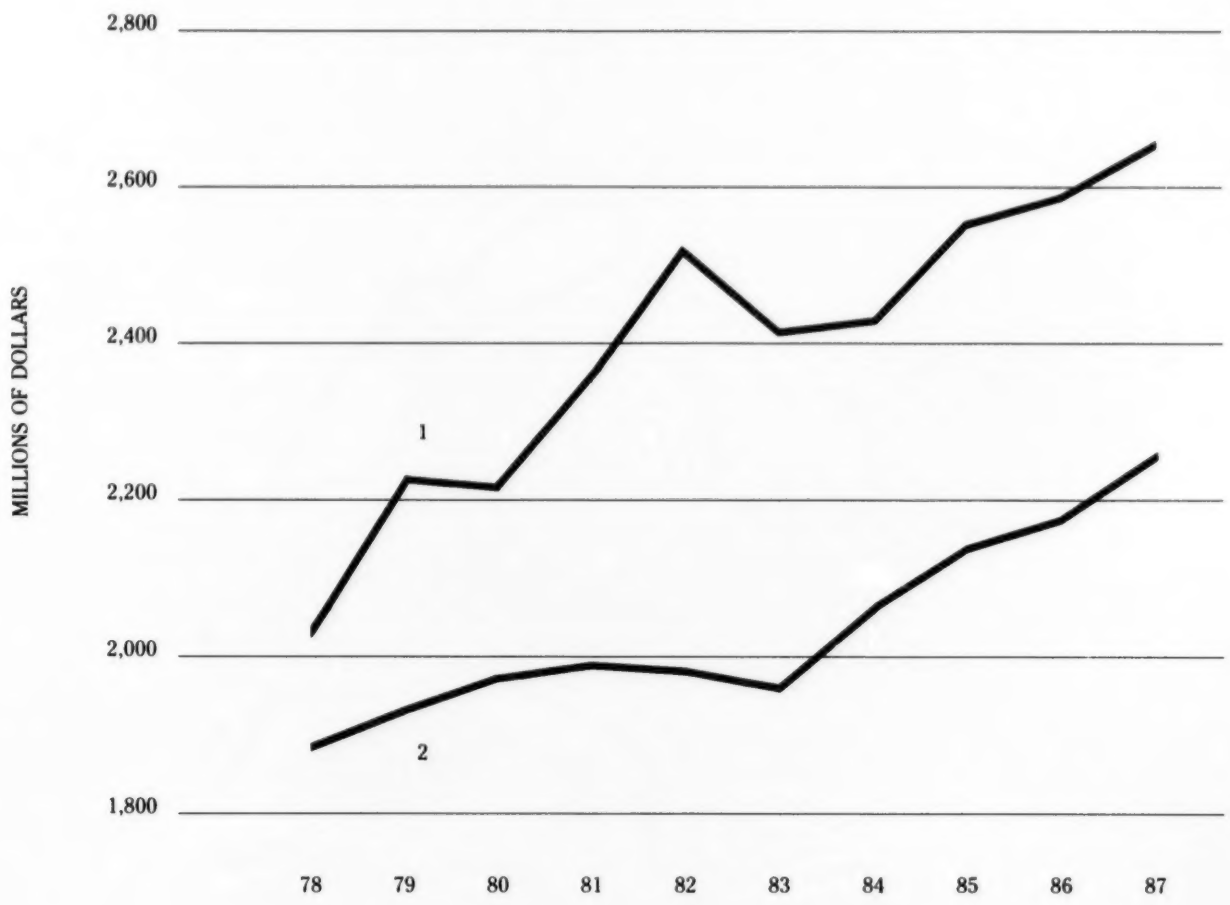
E Estimate

NOTE: Gross Expenditures include Ordinary and Capital Expenditures, Sinking Fund Installments and net increase (decrease) in Capital Advances and Investments.

COMPARISON OF GROSS REVENUES AND GROSS EXPENDITURES

Chart 1

(constant 1981 dollars)



FISCAL YEAR ENDING MARCH 31

1 Gross Expenditures include Ordinary and Capital Expenditures, Sinking Fund Installments and net increase (decrease) in Capital Advances and Investments.

2 Gross Revenues include Ordinary Revenues, Ordinary and Capital Recoveries and Prior Years' Adjustments.

HISTORICAL ANALYSIS OF GROSS REVENUES BY SOURCE

Schedule 8

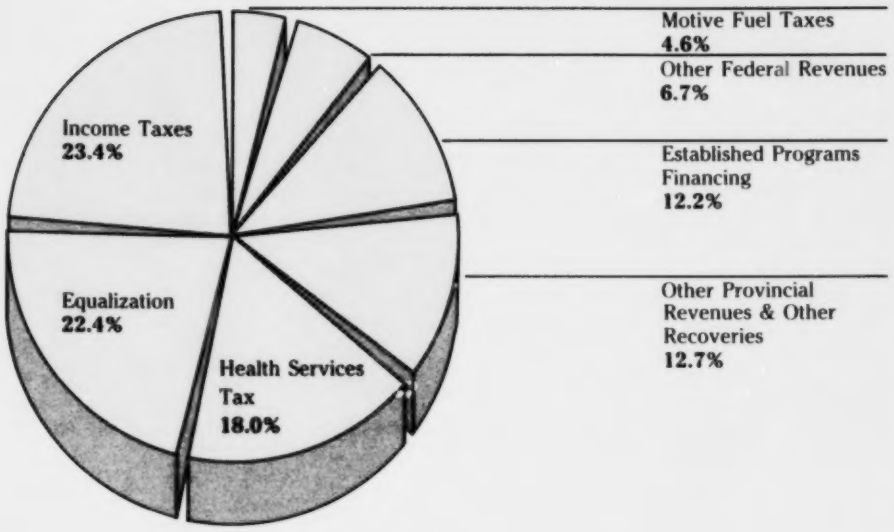
	1982-83	1983-84	1984-85	FORECAST 1985-86	ESTIMATE 1986-87
Provincial Sources (thousands of dollars)	1,128,564	1,275,913	1,412,439	1,565,349	1,677,398
Income Taxes	476,653	525,057	557,797	648,037	677,718
Health Services Tax	311,981	368,610	432,807	500,000	560,000
Motive Fuel Taxes	98,775	108,497	118,360	126,500	115,500
Liquor Commission Profits	68,299	75,555	79,551	82,500	85,500
Interest Revenues	76,187	76,060	78,062	70,912	69,820
Registry of Motor Vehicles	30,951	33,250	33,380	34,269	39,807
Other Provincial Sources	65,718	88,884	112,482	103,131	129,053
Federal Sources (thousands of dollars)	997,811	1,093,657	1,145,569	1,144,245	1,211,361
Equalization	616,572	606,516	622,744	621,338	625,275
Established Programs Financing	216,726	305,872	334,610	337,608	356,424
Shared Cost Programs	160,939	177,887	184,912	182,281	227,080
Other Federal Sources	3,574	3,382	3,303	3,018	2,582
Other Recoveries (thousands of dollars)	48,911	52,151	56,510	61,352	73,628
Total Gross Revenues	**2,175,286**	**2,421,721**	**2,614,518**	**2,770,946**	**2,962,387**
Provincial Sources (as a percent of Total Gross Revenues)	51.9	52.7	54.0	56.5	56.6
Income Taxes	21.9	21.7	21.3	23.4	22.9
Health Services Tax	14.4	15.2	16.6	18.0	18.9
Motive Fuel Taxes	4.6	4.5	4.5	4.6	3.9
Liquor Commission Profits	3.1	3.1	3.0	3.0	2.9
Interest Revenues	3.5	3.1	3.0	2.6	2.4
Registry of Motor Vehicles	1.4	1.4	1.3	1.2	1.3
Other Provincial Sources	3.0	3.7	4.3	3.7	4.3
Federal Sources (as a percent of Total Gross Revenues)	45.9	45.2	43.8	41.3	40.9
Equalization	28.3	25.1	23.8	22.4	21.1
Established Programs Financing	10.0	12.6	12.8	12.2	12.0
Shared Cost Programs	7.4	7.4	7.1	6.6	7.7
Other Federal Sources	0.2	0.1	0.1	0.1	0.1
Other Recoveries (as a percent of Total Gross Revenues)	2.2	2.1	2.2	2.2	2.5
Total Gross Revenues	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

NOTE: Gross Revenues include Ordinary Revenues, Ordinary and Capital Recoveries and Prior Years' Adjustments.

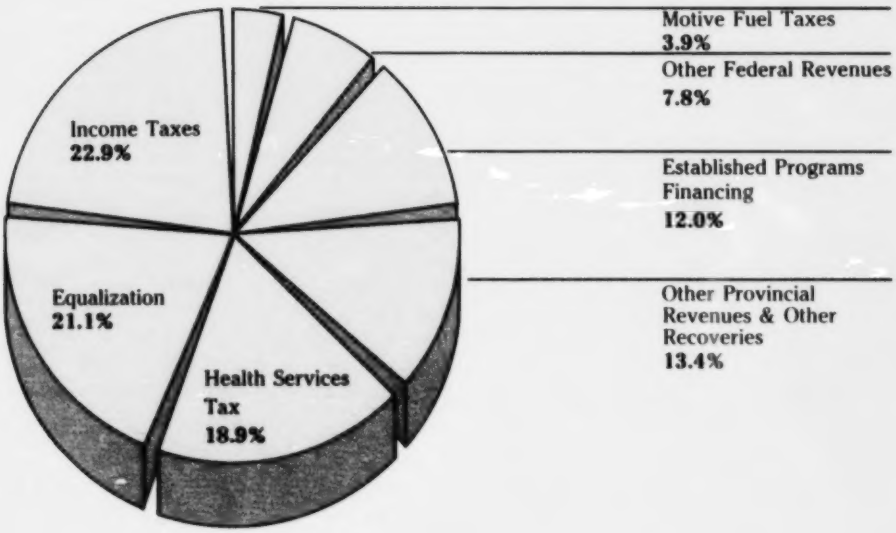
GROSS REVENUES BY SOURCE

Chart 2

1985-86



1986-87



NOTE: Gross Revenues include Ordinary Revenues, Ordinary and Capital Recoveries and Prior Years' Adjustments.

HISTORICAL ANALYSIS OF GROSS EXPENDITURES BY FUNCTION

Schedule 9

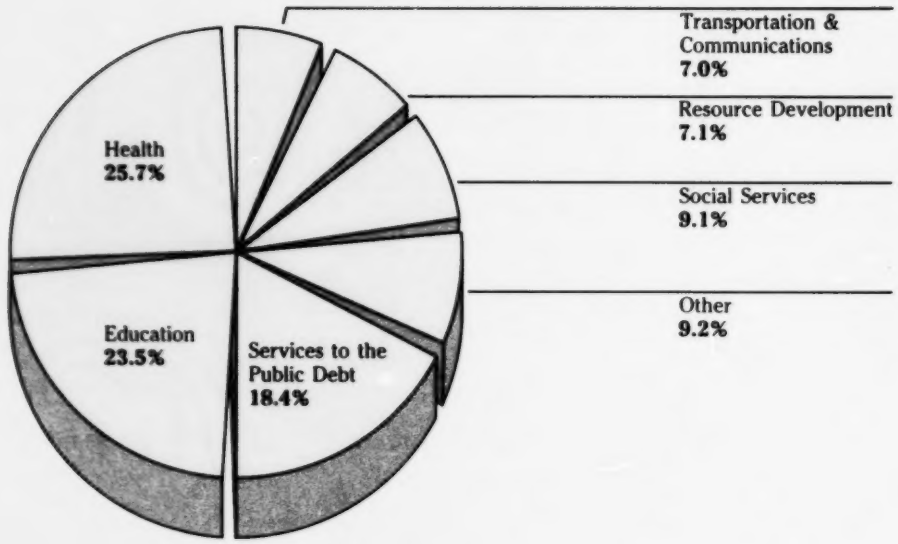
	1982-83	1983-84	1984-85	FORECAST 1985-86	ESTIMATE 1986-87
Function (thousands of dollars)					
General Government	80,636	87,662	101,370	104,659	114,962
Public Protection	61,299	68,756	72,000	81,676	106,731
Transportation and Communications	196,082	223,949	247,312	229,791	193,934
Resource Development	268,913	233,044	230,830	232,979	221,040
Health	649,220	706,802	777,585	847,598	899,585
Social Services	235,930	259,464	283,140	298,712	318,518
Education	675,529	715,447	750,361	772,919	847,791
Culture and Recreation	23,252	24,645	31,169	31,813	32,184
Services to the Public Debt	399,406	458,716	535,953	607,454	673,104
Municipal Affairs	94,704	76,386	89,057	82,352	85,407
Total Gross Expenditures	**2,684,971**	**2,854,871**	**3,118,777**	**3,289,953**	**3,493,256**
Function (as a percent of Total Gross Expenditures)					
General Government	3.0	3.1	3.2	3.2	3.3
Public Protection	2.3	2.4	2.3	2.5	3.1
Transportation and Communications	7.3	7.8	7.9	7.0	5.5
Resource Development	10.0	8.1	7.4	7.1	6.3
Health	24.2	24.7	24.9	25.7	25.8
Social Services	8.8	9.1	9.1	9.1	9.1
Education	25.1	25.1	24.1	23.5	24.3
Culture and Recreation	0.9	0.9	1.0	1.0	0.9
Services to the Public Debt	14.9	16.1	17.2	18.4	19.3
Municipal Affairs	3.5	2.7	2.9	2.5	2.4
Total Gross Expenditures	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

NOTE: Gross Expenditures include Ordinary and Capital Expenditures, Sinking Fund Installments and net increase (decrease) in Capital Advances and Investments.

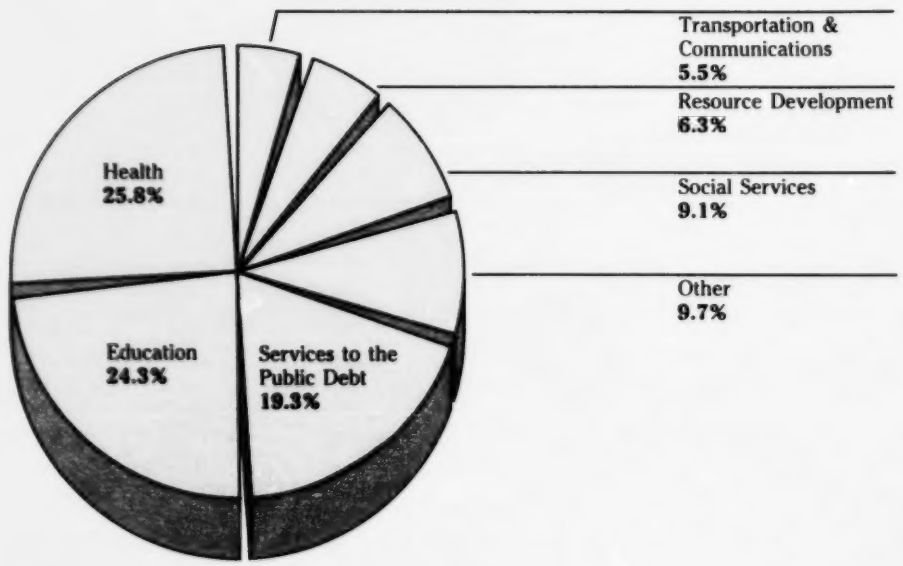
GROSS EXPENDITURES BY FUNCTION

Chart 3

1985-86



1986-87



NOTE: Gross Expenditures include Ordinary and Capital Expenditures, Sinking Fund Installments and net increase (decrease) in Capital Advances and Investments.

GROSS ORDINARY EXPENDITURES BY FUNCTION

Schedule 10

Function (thousands of dollars)	1982-83	1983-84	1984-85	FORECAST 1985-86	ESTIMATE 1986-87
General Government	77,808	84,859	96,732	99,917	110,525
Public Protection	60,332	67,937	69,661	78,457	98,645
Transportation and Communications	93,204	98,595	113,706	117,285	111,243
Resource Development	193,396	165,375	177,645	191,107	158,558
Health	622,228	689,643	755,013	820,375	848,940
Social Services	235,930	259,362	283,049	298,540	318,346
Education	660,413	706,740	737,530	758,727	810,177
Culture and Recreation	21,541	22,971	24,344	28,727	30,137
Services to the Public Debt	399,406	458,716	535,953	607,454	673,104
Municipal Affairs	68,565	55,995	61,264	61,438	61,363
Total Gross Expenditures	**2,432,823**	**2,610,193**	**2,854,897**	**3,062,027**	**3,221,038**

NOTE: Includes Ordinary Expenditures and Sinking Fund Installments.

GROSS CAPITAL EXPENDITURES BY FUNCTION

Schedule 11

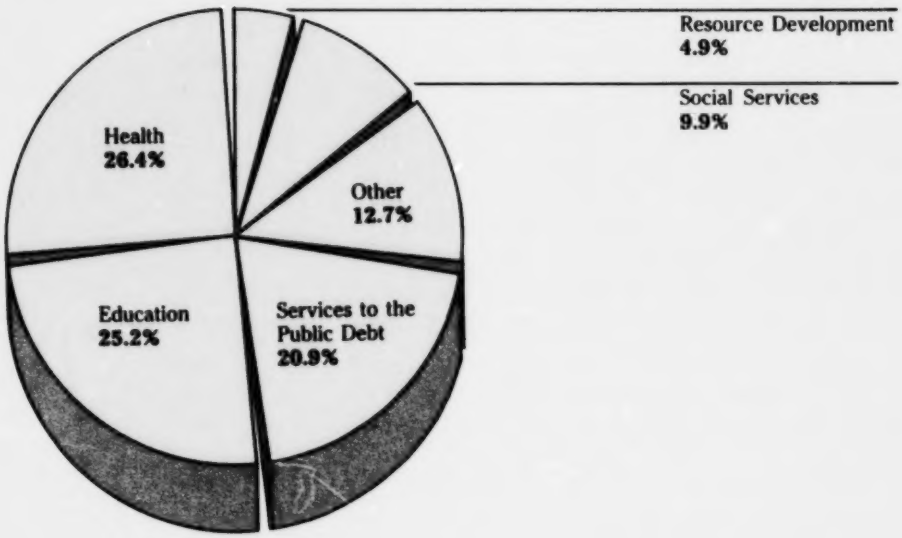
Function (thousands of dollars)	1982-83	1983-84	1984-85	FORECAST 1985-86	ESTIMATE 1986-87
General Government	2,828	2,803	4,638	4,742	4,437
Public Protection	967	819	2,339	3,219	8,086
Transportation and Communications	102,878	125,354	133,606	112,506	82,691
Resource Development	75,517	67,669	53,185	41,872	62,482
Health	26,992	17,159	22,572	27,223	50,645
Social Services	—	102	91	172	172
Education	15,116	8,707	12,831	14,192	37,614
Culture and Recreation	1,711	1,674	6,825	3,086	2,047
Municipal Affairs	26,139	20,391	27,793	20,914	24,044
Total Gross Expenditures	**252,148**	**244,678**	**263,880**	**227,926**	**272,218**

NOTE: Includes Capital Expenditures and net increase (decrease) in Capital Advances and Investments.

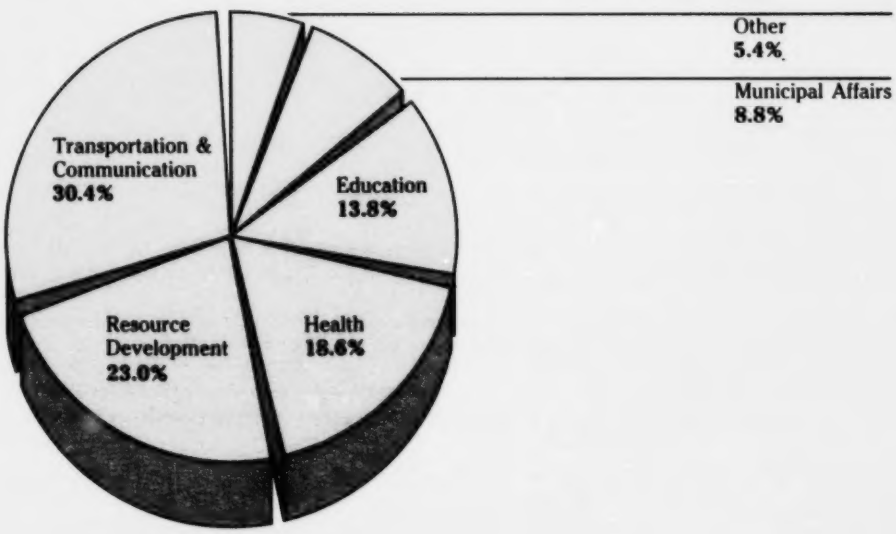
GROSS ORDINARY AND CAPITAL EXPENDITURES BY FUNCTION

Chart 4

ORDINARY EXPENDITURES
1986-87



CAPITAL EXPENDITURES
1986-87



NOTE: Gross Expenditures include Ordinary and Capital Expenditures, Sinking Fund Installments and net increase (decrease) in Capital Advances and Investments.

TRANSFER PAYMENTS FROM THE GOVERNMENT OF CANADA

Schedule 12

(millions of dollars)

FISCAL YEAR	UNCONDITIONAL TRANSFERS[1]	CONDITIONAL TRANSFERS[2]	TOTAL TRANSFERS	ANNUAL PERCENT CHANGE	PERCENT OF TOTAL GROSS REVENUES
1976-77	328	254	582	8.8	50.4
1977-78 *	525	129	654	12.4	51.3
1978-79	562	165	727	11.2	51.2
1979-80	640	159	799	9.9	50.2
1980-81	688	157	845	5.8	47.9
1981-82	799	164	963	14.0	48.6
1982-83	837	161	998	3.7	45.9
1983-84	916	178	1,094	9.6	45.2
1984-85	961	185	1,146	4.8	43.8
1985-86 F	962	182	1,144	(0.2)	41.3
1986-87 E	984	227	1,211	5.9	40.9

1 Unconditional Transfers which currently include Equalization Payments, Established Programs Financing Cash Transfers and Statutory Subsidies, constitute those payments from the Federal Government that may be spent in any manner.

2 Conditional Transfers constitute those payments from the Federal Government that must be spent on the specific programs for which the transfers are made. In essence, the Conditional Transfers pertain to shared-cost programs.

* The substantial change in conditional and unconditional transfers in 1977-78 reflects new arrangements with the Federal Government respecting the financing of Health programs and Post-Secondary Education.

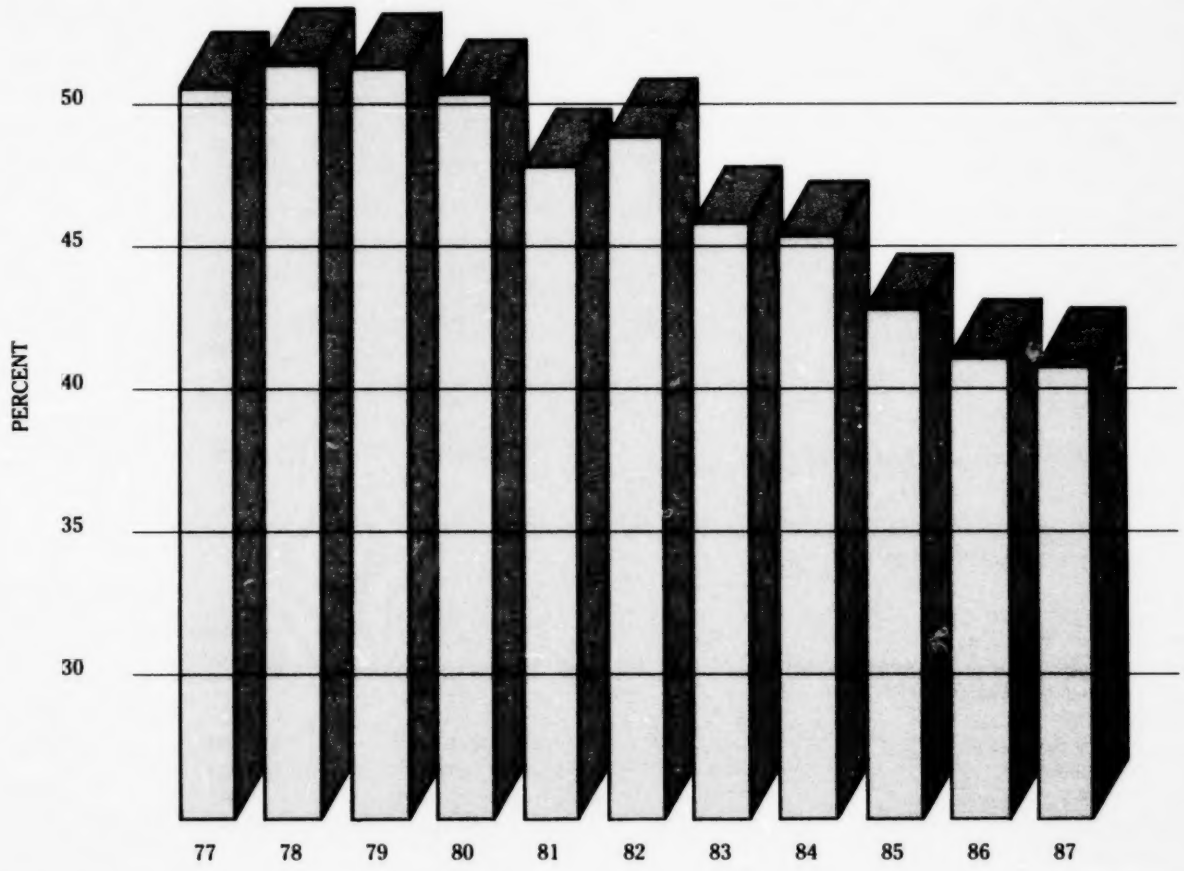
F Forecast

E Estimate

NOTE: Gross Revenues include Ordinary Revenues, Ordinary and Capital Recoveries and Prior Years' Adjustments.

TRANSFERS FROM THE GOVERNMENT OF CANADA AS A PERCENT OF TOTAL GROSS REVENUES

Chart 5



SUMMARY OF ORDINARY REVENUES AND EXPENDITURES BY SOURCE AND FUNCTION

Schedule 13

(thousands of dollars)

	ESTIMATE 1985-86	FORECAST 1985-86	ESTIMATE 1986-87
ORDINARY REVENUES AND RECOVERIES BY SOURCE			
Provincial Sources			
Income Taxes	587,137	621,680	677,718
Health Services Tax	556,500	500,000	560,000
Motive Fuel Taxes	125,000	126,500	115,500
Liquor Commission Profits	84,500	82,500	85,500
Interest Revenues	75,882	70,912	69,820
Registry of Motor Vehicles	37,167	34,269	39,807
Other Provincial Sources	109,505	104,998	129,053
Federal Sources			
Equalization	588,269	621,338	625,275
Established Programs Financing	350,758	344,679	356,424
Shared Cost Programs	155,506	154,802	168,178
Other Federal Sources	3,274	2,637	2,582
Other Recoveries	55,229	57,814	71,003
Total Ordinary Revenues and Recoveries	**2,728,727**	**2,722,129**	**2,900,860**
ORDINARY EXPENDITURES BY FUNCTION			
General Government	103,567	99,917	110,525
Public Protection	80,021	78,457	98,645
Transportation and Communications	107,132	117,285	111,243
Resource Development	169,308	191,107	158,558
Health	780,696	820,375	848,940
Social Services	293,711	298,540	318,346
Education	764,639	758,727	810,177
Culture and Recreation	27,663	28,727	30,137
Interest on the Public Debt	523,505	530,294	585,887
Municipal Affairs	63,092	61,438	61,363
Total Ordinary Expenditures	**2,913,334**	**2,984,867**	**3,133,821**
Prior Years' Adjustments – Federal-Provincial Fiscal Arrangements	—	17,400	—
Excess of Current Expenditures Over Revenues and Recoveries	184,607	245,338	232,961
Sinking Fund Installments and Serial Retirements	77,290	77,160	87,217

ECONOMIC INDICATORS

GROSS DOMESTIC PRODUCT AT MARKET PRICE

Schedule 14

(millions of dollars)

YEAR	NOVA SCOTIA[1]	ANNUAL PERCENT CHANGE	CANADA[1]	ANNUAL PERCENT CHANGE
1976	4,529.0	16.3	194,902.0	15.9
1977	4,942.0	9.1	213,536.0	9.6
1978	5,559.0	12.5	238,219.0	11.6
1979	6,132.0	10.3	272,175.0	14.3
1980	6,368.0	3.8 [2]	306,651.0	12.7
1981	7,375.0	15.8	352,039.0	14.8
1982	8,394.0	13.8	370,105.0	5.1
1983	9,428.0	12.3	402,084.0	8.6
1984	10,444.0	10.8	436,870.0	8.7
1985	11,350.0$_p$	8.7	471,950.0$_p$	8.0
1986	12,200.0$_p$	7.5	506,790.0$_p$	7.4

1 Source – Statistics Canada: "Provincial Economic Accounts"

2 Gross Domestic Product at market price represents the value added by each of the factors of production plus indirect taxes less subsidies. The substantial increase in the value of subsidies paid to importers of crude oil and petroleum products in 1980 in Nova Scotia had a proportionately greater impact on Nova Scotia Gross Domestic Product at market price than the impact of such subsidies on Gross Domestic Product at market price for Canada as a whole.

p Preliminary Projections; Source: Nova Scotia Department of Development

CONSUMER PRICE INDEX

(1981 = 100.00)

Schedule 15

YEAR	HALIFAX[1]	ANNUAL PERCENT CHANGE	CANADA[1]	ANNUAL PERCENT CHANGE
1976	63.9	8.3	62.9	7.5
1977	68.9	7.8	67.9	7.9
1978	74.2	7.7	73.9	8.8
1979	80.8	8.9	80.7	9.2
1980	89.4	10.6	88.9	10.2
1981	100.0	11.9	100.0	12.5
1982	109.6	9.6	110.8	10.8
1983	116.8	6.6	117.2	5.8
1984	121.9	4.4	122.3	4.4
1985	127.3	4.4	127.2	4.0
1986	133.0_p	4.5	131.8_p	3.6

1 Source – Statistics Canada: "The Consumer Price Index"

p Preliminary Projections; Source: Nova Scotia Department of Development

NOTE: The Consumer Price Index measures the percentage change through time in the cost of purchasing a constant "basket" of goods and services representing the purchases made by a particular population group in a specified time period. The Consumer Price Index used in this table is an annual average of the monthly indices.

PERSONAL INCOME PER CAPITA

(dollars)

Schedule 16

YEAR	NOVA SCOTIA[1]	ANNUAL PERCENT CHANGE	CANADA[1]	ANNUAL PERCENT CHANGE
1976	5,292.0	11.4	6,747.0	12.4
1977	5,868.0	10.9	7,370.0	9.2
1978	6.560.0	11.8	8,143.0	10.5
1979	7,286.0	11.1	9,069.0	11.4
1980	8,032.0	10.2	10,178.0	12.2
1981	9,143.0	13.8	11,853.0	16.5
1982	10,150.0	11.0	12,887.0	8.7
1983	10,852.0	6.9	13,542.0	5.1
1984	11,693.0	7.7	14,412.0	6.4
1985	$12,278.0_p$	5.0	$15,454.0_p$	7.2
1986	$12,805.0_p$	4.3	$16,422.0_p$	6.3

1 Source – Statistics Canada: "National Income and Expenditure Accounts"

p Preliminary Projections; Source: Nova Scotia Department of Development

LABOUR FORCE

(thousands of persons)

Schedule 17

YEAR	NOVA SCOTIA[1]	ANNUAL PERCENT CHANGE	CANADA[1]	ANNUAL PERCENT CHANGE
1976	322.0	1.6	10,203.0	2.3
1977	327.0	1.6	10,500.0	2.9
1978	338.0	3.4	10,895.0	3.8
1979	346.0	2.4	11,231.0	3.1
1980	356.0	2.9	11,573.0	3.0
1981	359.0	0.8	11,904.0	2.9
1982	361.0	0.6	11,958.0	0.5
1983	369.0	2.2	12,183.0	1.9
1984	387.0	4.9	12,399.0	1.8
1985	391.0	1.0	12,639.0	1.9
1986	396.0_p	1.3	$12,940.0_p$	2.4

1 Source – Statistics Canada: "Historical Labour Force Statistics"

p Preliminary Projections; Source: Nova Scotia Department of Development

EMPLOYMENT

(thousands of persons)

Schedule 18

YEAR	NOVA SCOTIA[1]	ANNUAL PERCENT CHANGE	CANADA[1]	ANNUAL PERCENT CHANGE
1976	292.0	—	9,477.0	2.1
1977	292.0	—	9,651.0	1.8
1978	303.0	3.8	9,987.0	3.5
1979	311.0	2.6	10,395.0	4.1
1980	321.0	3.2	10,708.0	3.0
1981	322.0	0.3	11,006.0	2.8
1982	313.0	(2.8)	10,644.0	(3.3)
1983	320.0	2.2	10,734.0	0.8
1984	337.0	5.3	11,000.0	2.5
1985	337.0	—	11,311.0	2.8
1986	342.0_p	1.5	$11,700.0_p$	3.4

1 Source – Statistics Canada: "Historical Labour Force Statistics"

p Preliminary Projections; Source: Nova Scotia Department of Development

UNEMPLOYMENT

(thousands of persons)

Schedule 19

YEAR	NOVA SCOTIA[1]		CANADA[1]	
	UNEMPLOYED	UNEMPLOYMENT RATE %	UNEMPLOYED	UNEMPLOYMENT RATE %
1976	31.0	9.5	726.0	7.1
1977	35.0	10.6	849.0	8.1
1978	36.0	10.5	908.0	8.3
1979	35.0	10.1	836.0	7.4
1980	35.0	9.7	865.0	7.5
1981	36.0	10.2	898.0	7.5
1982	47.0	13.2	1,314.0	11.0
1983	49.0	13.2	1,448.0	11.9
1984	51.0	13.1	1,399.0	11.3
1985	54.0	13.8	1,328.0	10.5
1986	54.0_p	13.6	$1,240.0_p$	9.6

1 Source – Statistics Canada: "Historical Labour Force Statistics"

p Preliminary Projections; Source: Nova Scotia Department of Development

NOTE: The Unemployment Statistics shown in this table are annual averages of the monthly indices.